

Honorable Samuel J. Steiner
Hearing date: June 11, 2010; 9:30 a.m.
Hearing Place: Room 8206, 700 Stewart Street, Seattle, WA 98101
Responses due by: June 4, 2010; by 4:30 p.m.

IN THE UNITED STATES BANKRUPTCY COURT FOR THE
WESTERN DISTRICT OF WASHINGTON AT SEATTLE

In re:) Chapter 7
) Bankruptcy No. 09-22923
DUGALD ALLEN and HILARY ALLEN,)
f/d/b/a Zothea Investments, Inc.,)
Debtor(s).) NOTICE AND MOTION FOR AN ORDER
) OF SALE OF REAL PROPERTY OF THE
) ESTATE FREE AND CLEAR OF
) LIENS AND ENCUMBRANCES AND
) FOR 506(c) CARVE OUT

NOTICE

TO: Dugald and Hilary Allen, and their attorney of record, creditors, and parties of interest.

PLEASE TAKE NOTICE that the below joined motions will be heard on the 11th day of June, 2010, at 9:30 a.m., at the United States Courthouse, 700 Stewart Street, Seattle, Washington, in Room 8206, and the clerk is requested to note the motion on the motion docket for that day.

YOU ARE FURTHER NOTIFIED that responses or objections must be made in writing and the original filed with the Bankruptcy Court at the United States Courthouse, Room 6301, 700 Stewart Street, Seattle, Washington 98101. Copies must be served upon the United States Trustee's Office at the United States Courthouse, Room 5103, 700 Stewart Street, Seattle, Washington 98101, the above-named Judge and the undersigned attorney on or before June 4, 2010. Failure to comply with the local rule may be deemed by the court as opposition without merit. If responsive pleadings

are not filed as stated above, the hearing may be stricken and an order granting the relief requested in the motion may be presented *ex parte*.

MOTIONS

COMES NOW the trustee, Edmund J. Wood, through counsel, The Rigby Law Firm, and Rory C. Livesey, and moves this court for an order authorizing the trustee to sell property of the estate and for 506(c) carve out.

Motion for Sale of Real Property of the Estate Free and Clear of Liens and Encumbrances

The property to be sold, the terms of the sale and the other details can be summarized as follows:

Purchaser:	Yu-Li Chung Liang, and/or assigns
Purchaser's address:	P. O. Box 68925
Sales price:	\$490,000.00
Terms of sale:	Cash at closing
Legal description of property to be sold:	Lot 21, Block 2, Bellevue Realty Add. No. 1, Vol. 49, P. 88, King County
Parcel no.:	0685000225
Street address of property to be sold:	10028 N.E. 23 rd Street, Bellevue, WA 98004
Costs of sale:	The estate will pay the real estate agent a commission of 6% of the gross sales price or such lesser amount as agreed to by the real estate agent; and, the estate will pay those costs of sale customarily paid by the Seller in Western Washington. These costs would include, but are not limited to, title insurance, real estate taxes due through the date of sale and one-half of the escrow costs.
Utility Liens	Certain utilities to file liens for the amounts owed to them. The existence of the lien and/or the amount of the lien is usually unknown until closing. These liens usually, but not always, are equal to the utilities incurred over several months.

1 Encumbrances & approximate
2 payoff amounts:

- (1) King County property taxes - \$2,500;
- (2) J.P. Morgan Chase, successor of Washington Mutual deed of trust - \$390,000; and
- (3) Homestreet Bank deed of trust - \$120,000.

4 Said sale will be free and clear of all liens and interests, said liens and interests to attach
5 to the proceeds of the sale as though those proceeds were the property, said liens and interests to
6 be satisfied from those proceeds. Notwithstanding the foregoing, the trustee requests the authority
7 to pay in full the above named secured creditors, in the order of their liens and for 506(c) carve
8 out.

9 The trustee believes and therefore alleges that the purchaser is a good faith purchaser for
10 value.

11 Motion for 506(c) Carve Out

12 Homestreet Bank has a deed of trust against the property in an amount which is greater
13 than the equity in the property after the payment of the costs of sale and liens with a higher
14 priority. There will be no funds available to pay creditors with a lower lien priority than that of
15 Homestreet Bank, although none are known. The trustee is negotiating with Homestreet Bank for
16 a carve out in the amount of \$27,750, at least one half of which will be paid to pre-petition
17 creditors.

18 The trustee alleges that the administration of this property in this bankruptcy estate and the
19 sale of such property qualifies under 11 U.S.C. § 506(c) as a reasonable and necessary cost and
20 expense of preserving and disposing of such property for the benefit of Homestreet Bank in an
21 amount not less than \$27,750.

1 WHEREFORE, the trustee prays for an order accordingly.

2 DATED this 14th day of May, 2010.

3 THE RIGBY LAW FIRM

4 */S/ Rory C. Livesey*

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6 Rory C. Livesey, WSBA #17601
7 Of Attorneys for Trustee
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